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## INFORMATION REPORT

CD NO.

## INTELLOFAX 4

COUNTRY

Hungary

DATE DISTR.

22 Mar 51

SUBJECT

Russian Industrial Eission to Hungary

NO. OF PAGES

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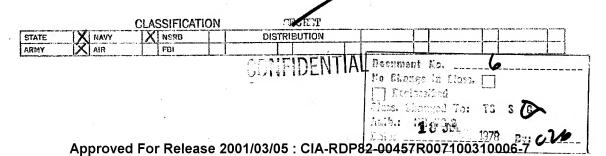
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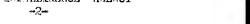
- Despite the relative unimportance of Hungarian retal industry. Russia is not satisfied with the production. In the last few months of 1949, the deliveries to Russia were 6 to 10 per cent short, and the Russians considered this excessive. During the first part of 1949, Ernö Gerö, Chief of the People's Economic Council, was instructed to Russianize Fungarian industries. A plan to exchange workers was made. Wevertheless, the problem was not solved, as all the workers could not be sent to Russia to learn Russian rethods. The metallurgical industry, the railroads, and the textile industry are the three branches in which Russian methods are to be established as quickly as possible.
- A Russian Culture North was carried out in Hungary this year. A Russian delegation, consisting mainly of artists and writers was organized and sent to Mungary. Four important industrial workers were included in this delegation. The newspapers published long accounts of the cultural group and its activities, but the workers' group was not mentioned.
- The four important workers were:
  - Ivan Pavlovich Bardin, vice-president of the Soviet Academy of Cciences, a Russian export in retallurgy who has helped to build several foundries: in Russia and is also an expert on the Martin method, for the production of steel.
  - b. Alexei Petrovich Zhuravlev, assistant to Bardin, a specialist in electric furnaces and chief of equipment of the Blektrostal factory near Moscow. Zhuravlev has since become a deputy to the Supreme Soviet.
  - Hatalya Ilichna Dubyara represented the textile industry; she had been in Hungary before. Dulyaga is a spinner at the Trükhgornaya Factory in Moscow and is a specialist at running 16 machines.
  - d. Ivan Fedorovich Panin, a locomotive driver, was also a rember of the deleration.



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- Bardin and Zhuravlev visited the most important foundries: in Hungary: Diosyyor; Ozd, the Ganz factory at Budarest; the Acelonto and Cabayar Factory, Budapest; the Malyas Rakosi factory at Csepel; and several other small ones in Budapest. The main purpose of these visits was to determine the cause of the losses and decide which factories should utilize Russian methods. Bardin mad an unpublicized conference with the professors of the Technical University of Budapest. The professors were instructed in the problems and experiences of the Russians in metallurgy. These instructions had to be accepted without question. The professors were also informed that all technical teaching must conform to Soviet methods, so that the products would have the same characteristics in Hungary as in Russia. After a public meeting at the Eurgarian Academy of Cciences, there was a closed meeting at which Bardin spoke of the faults of the Hungarian experts. He depended that the cultural, artistic, and scientific life of Hungary be based on Socialism and stated that Hungary had not begun to make the change.
- 5. The particular problems of heavy industry were discussed in the course of a conference with Mihaly Zsofinyec, who was informed that Russia desired an increase in the Hungarian production of iron and steel. Regardless of price or sacrifice Hungary must find a method to build or buy foreign electric furnaces in order to increase the production of steel. The production methods and the inventions which the factories must introduce to become Russianized were discussed at several secret neetings.
- Dubyaga visited the Goldberger textile factory at delenfold and the lagyar Famutipar factories at Ujpest, but her most important visit was to the new factory at Szeged. This factory was still under construction. After her visit to Szeged, Dubyaga made a report to the Ministry of Light Industry. She stated that: in the first place, the use of Russian machines had not been taugit; the machines were working far below their maximum efficiency; and confusion reigned at the factory. There was no over-all plan for construction, only sectional details. The construction was constantly being modified; for example, in one set of specifications only one floor was mlanned. but this was changed to include a second floor, although meanwhile the foundations had already been laid. The rachino rooms were still provisionally located, and had been shifted several times; this had caused production slowdowns. She caw errors of 1 cm. to 1 meter on the plans. She also stated that the Communist Party was not very efficient and that there had not been a workers' calabration for her visit. In answer, larosan, the Minister, irrediately ordered an inquiry; the Corrunist Party sent some cormissaires to Czegod, and they proceeded to purge the cells of the factory; the Secretariat of the Cormunist Party at the factory was dismissed; the manbers of the management committee were changed; and four workers and nine officials were arrested. Two Russian surervisors arrived in Szeged at the end of April and had been assigned to supervise the factory.
- The Minister of Industries called a conference of foremen of the textile industry, and during the resting Dubyam told of the "ussian rethods which must be introduced into every textile factory in Hungary.
- 8. After Panin's visit, the two Russian methods, the "2,000 tons" and the "500 kilometers", of railroad movements were introduced. These rethods have caused a great deal of difficulty in Hungary since they are amplicable to long distance transportation and not to short runs. Panin established a spectacular record, which has since served as an exa ple for all locomotive drivers, but this record is not amplicable either since his record was made on the Budapest - Miskolc run, at a time when all other trains were prohibited from using the tracks and with the aid of the most expert Hungarian trainmen.
- 9. Panin visited all the repair shops of the railroad; Istvantelek, Debrecen, Szolnok, and the station at Forencearos. He gave detailed instructions on the Russian methods for shortering repair times. The general impression among the Hungarian engineers was that the Russian methods would shorten the life of the locomotives.
- 10. Panin held special conferences with the chief of the political section of the Hungarian railroads, Imre, at which he amplained the two methods of reverent in detail, and the volunteer system by which the perfers runt work fore less The old rules which limited the murber of working hours of the engine

drivers and already been suppressed in Farch RDP82-00457R007100310006-7
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